

ACKNOWLEDGMENT, WAIVER AND CONSENT AGREEMENT

This ACKNOWLEDGMENT, WAIVER AND CONSENT AGREEMENT (this "Agreement") is entered into this June 23, 2015, by and between WEST VALLEY CITY, UTAH (the "Issuer"), and HUNT 1920 LLC, a Utah limited liability company. If the Property is owned by a legal entity that is not a person, the party signing this Acknowledgment must provide the Issuer with legal documentation which verifies that the person signing this Acknowledgment has legal authorization to sign on behalf of the owner of record (the "Borrower" and collectively with the Issuer, the "Parties").

R E C I T A L S:

1. As of the date hereof the Borrower owns the real property described in Exhibit A attached hereto (the "Property") which constitutes property to be assessed within the West Valley City, Utah Voluntary Assessment Area (Hunt 1920 LLC, C-PACE) 2015-1 described herein.

2. The Borrower desires that the Issuer designate a voluntary assessment area pursuant to the Assessment Area Act, Title 11, Chapter 42, Utah Code Annotated 1953, as amended (the "Act") and issue its Assessment Bonds (Hunt 1920 LLC, C-PACE 2015-1), Series 2015 (Federally Taxable) (the "Series 2015 Bonds") pursuant to the terms of that certain Master Resolution dated as of June 1, 2015 (the "Master Resolution") and loan the proceeds thereof to the Borrower (the "Loan") for the purpose of financing the costs of acquiring, constructing and installing Energy Efficiency Upgrades and/or Renewable Energy Systems (as such terms are defined in the Act) to be owned by the Borrower, and completing said improvements in a proper and workmanlike manner (collectively, the "Improvements").

3. Pursuant to the Act, the City Council of the Issuer (the "City Council") anticipates adopting a Designation Resolution, a copy of which is attached hereto as Exhibit B (the "Designation Resolution") designating a voluntary assessment area to be known as the "West Valley City, Utah Voluntary Assessment Area (Hunt 1920 LLC, C-PACE) 2015-1" (the "Voluntary Assessment Area").

4. The Issuer and the Borrower desire to expedite the designation of Voluntary Assessment Area by waiving certain statutory requirements as permitted by the Act for the purpose of accelerating the financing of the Improvements.

NOW, THEREFORE, in consideration of the premises stated herein, the designation of the Voluntary Assessment Area, the acquisition, construction and installation of the Improvements and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

Section 1. Representations and Warranties of the Issuer. The Issuer hereby represents and warrants that:

(a) the execution and delivery of this Agreement by the Issuer does not conflict with, violate, or constitute on the part of the Issuer a breach or violation of any of the terms and provisions of, or constitute a default under (i) any existing constitution, law, or administrative rule or regulation, decree, order, or judgment; (ii) any corporate restriction or any bond, debenture, note, mortgage, indenture, agreement, or other instrument to which the Issuer is party or by which the Issuer is or may be bound or to which any of the property or assets of the Issuer is or may be subject; or (iii) the creation and governing instruments of the Issuer; and

(b) there is no action, suit, proceeding, inquiry, or investigation at law or in equity by or before any court or public board or body to which the Issuer is a party, or threatened against the Issuer wherein an unfavorable decision, ruling, or finding would adversely affect the validity or enforceability or the execution and delivery by the Issuer of this Agreement; and

(c) the Issuer has adequate financial information from Borrower demonstrating Borrower's ability to pay the proposed assessment; further, the Issuer will not seek any additional financial information from the Borrower now or in the future for any reason whatsoever, including but not limited to, the Issuer financing and/or refinancing of the Improvements with the issuance of the Series 2015 Bonds.

Section 2. Representations, Covenants and Warranties of Borrower. The Borrower hereby represents, covenants and warrants that:

(a) the Borrower is the sole owner of the Property identified as such in Exhibit A attached hereto;

(b) the Borrower has taken all action necessary to execute and deliver this Agreement;

(c) the execution and delivery of this Agreement by the Borrower does not conflict with, violate, or constitute on the part of the Borrower a breach or violation of any of the terms and provisions of, or constitute a default under (i) any existing constitution, law, or administrative rule or regulation, decree, order, or judgment; (ii) any corporate restriction or any bond, debenture, note, mortgage, indenture, agreement, or other instrument to which the Borrower is a party or by which the Borrower is or may be bound or to which any of the property or assets of the Borrower is or may be subject; or (iii) the creation and governing instruments of the Borrower, if applicable;

(d) there is no action, suit, proceeding, inquiry, or investigation at law or in equity by or before any court or public board or body and to which the Borrower is a party, or threatened against the Borrower wherein an unfavorable decision, ruling, or finding would adversely affect the validity or enforceability or the execution and delivery by the Borrower of this Agreement;

(e) Pursuant to Section 11-42-209 of the Act the Borrower has obtained from each person or institution holding a lien on the Property their written consent to the inclusion of the Property in the Voluntary Assessment Area which is attached hereto as Exhibit B;

(f) there are no delinquent taxes, special assessments, or water or sewer charges on the Property;

(g) there is no recorded notice of default, foreclosure or delinquency, that has not been cured that has been filed against the Property;

(h) there are no involuntary liens, including a lien on the Property, or on the proceeds of a contract relating to the Property, for services, labor or materials furnished in connection with the construction or improvement of the Property;

(i) the Borrower has received the Master Resolution and shall be bound by the terms thereof;

(j) the Borrower shall pay, as repayment of the Loan, all assessments (the "Assessments") levied under the assessment ordinance to be adopted by the Issuer (the "Assessment Ordinance"), levying assessments against the Property until the principal of, premium, if any, and interest on the Series 2015 Bonds shall have been paid or provision for the payment thereof shall have been made in accordance with the Master Resolution;

(k) the Borrower shall pay all costs of issuance (including, but not limited to, the fees and expenses of the Issuer, the trustee, if any, bond counsel, counsel for Celtic Bank, the financial advisor and cost of preparing and printing the Series 2015 Bonds) incurred in connection with the issuance of the Series 2015 Bonds.

(l) The Borrower covenants and agrees to pay, when due, all costs and expenses of the Issuer incurred in connection with the Series 2015 Bonds or the Improvements, including, without limitation, all indemnity payments and all expenses incurred by the Issuer in connection with the Improvements, the Series 2015 Bonds or the Master Resolution, including, without limitation, its attorneys' fees and expenses and its advisors' fees and expenses.

(m) The Borrower agrees to pay, defend, protect, indemnify, and hold the Issuer, its past, present, and future directors, governing board members, councilmembers, officers, counsel, advisors, employees and agents, individually and collectively (the "Indemnified Parties") harmless for, from and against (i) any and all any causes of action (whether in contract, tort or otherwise), claims, costs, damages, demands, judgments, liabilities, losses, suits and expenses (including, without limitation, reasonable costs of investigation, and attorney's fees and expenses) of every kind, character and nature whatsoever (collectively, the "Liabilities") directly or indirectly arising from or relating to the Loan and this

Agreement, and (ii) any and all Liabilities directly or indirectly arising from or relating to the Series 2015 Bonds, the Master Resolution, or any document related to the issuance and sale of the Series 2015 Bonds, including, but not limited to, the following:

- (i) Any injury to or death of any person or damage to property in or upon the Property or growing out of or connected with the use, non-use, condition, or occupancy of the Improvements or any part thereof;
- (ii) Violation of any agreement, covenant, or condition contained in this Agreement;
- (iii) Violation of any agreement, contract, or restriction relating to the Improvements;
- (iv) Violation of any law, ordinance, or regulation affecting the Improvements or any part thereof or the ownership, occupancy, or use thereof;
- (v) The issuance and sale of the Series 2015 Bonds or any of them; and
- (vi) Any statement, information, or certificate furnished by the Borrower to the Issuer which is misleading, untrue, incomplete, or incorrect in any respect.

Section 3. Acknowledgment by Borrower. The Borrower hereby acknowledges that:

- (a) the undersigned, on behalf of the Borrower, is a duly qualified representative of the Borrower with the power and authority to execute this Agreement for and on behalf of the Borrower;
- (b) the Borrower has received a draft copy of the Designation Resolution wherein the Issuer intends to designate the Voluntary Assessment Area;
- (c) the Borrower has received a draft copy of the Assessment Ordinance;
- (d) the consents set forth herein will benefit the Borrower by providing for the financing of the Improvements and by expediting the assessment process and the notice requirements for the issuance of assessment bonds, thereby saving administrative and overhead costs.

Section 4. Consent by Borrower. The Borrower hereby consents to

(a) the Issuer designating the Voluntary Assessment Area which includes the Property, for the purpose of financing the cost of the Improvements with assessments to be levied against properties within said Voluntary Assessment Area, including the Property; and

(b) the Issuer issuing interim warrants, bond anticipation notes and/or assessment bonds (including the Series 2015 Bonds) as provided in the Act and loaning the proceeds thereof to the Borrower for the purpose of financing the acquisition, construction and installation of the Improvements.

Section 5. Waiver. The Borrower hereby waives:

(a) any notice and hearing requirements set forth in Sections 11-42-202 and 203 of the Act with respect to the designation of Voluntary Assessment Area and Sections 11-42-401 through 11-42-403 of the Act with respect to the levy and collection of assessments as described in the Designation Resolution; and

(b) the right to have appointed by the City Council a board of equalization and review which would hear aggrieved property owners and recommend adjustments in assessments, if deemed appropriate, the right to a hearing before a board of equalization and review and the right to appeal from any determination of a board of equalization and review as provided in Section 11-42-401 of the Act; and

(c) the right to contest the Assessments and any proceeding to designate the Voluntary Assessment Area or the levy of the Assessments as provided in Section 11-42-106 of the Act; and

(d) the right to prepay some or all of the Assessments levied with respect to the Property within twenty-five (25) days after the effective date of the Assessment Ordinance.

Section 6. Authorized Service Providers. Attached hereto as Exhibit C is a list of service providers authorized by the Issuer to provide the Improvements on the Property. The Parties hereto acknowledge that such list has been provided by the Issuer to the Borrower on or prior to the date hereof.

Section 7. Amendment. The Issuer and the Borrower hereby acknowledge that bond counsel will rely, in part, on the representations, warranties, acknowledgments, consents, and agreements herein contained in issuing opinions relating to the levy of the assessments and the issuance of assessment bonds and consequently hereby agree that this Agreement may not be amended, modified, or changed without the prior written consent of such bond counsel.

Section 8. Severability. The invalidity or un-enforceability in particular circumstances of any provision of this Agreement shall not extend beyond such provision

or circumstances and no other provision hereof shall be affected by such invalidity or unenforceability.

Section 9. Headings. The headings of the sections of this Agreement are inserted for convenience only and shall not affect the meaning or interpretation hereof.

Section 10. Successors and Assigns. This Agreement shall be binding upon the Parties hereto and their successors and assigns.

Section 11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah.

Section 12. Counterparts. This Agreement may be executed in several counterparts, all or any of which may be treated for all purposes as an original and shall constitute and be one and the same instrument.

IN WITNESS WHEREOF, the Mayor of the Issuer has hereunto set his hand and has caused the official seal of the Issuer to be hereunto affixed, and the City Recorder of the Issuer has attested the same, and the undersigned, on behalf of the Borrower, have hereunto executed this Agreement all as on the date first hereinabove set forth.

Dated: June __, 2015.

BORROWER:

HUNT 1920 LLC, a Utah limited liability company

By: _____

Name: _____

Title: _____

WEST VALLEY CITY, UTAH

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Recorder

EXHIBIT A

LEGAL DESCRIPTION AND TAX ID OF PROPERTY TO BE ASSESSED

Parcel No. 15-22-178-022-0000

BEGINNING 368.876 FEET NORTH AND 1444.369 FEET EAST FROM THE WEST QUARTER CORNER OF SECTION 22, TOWNSHIP 1 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE NORTH 227.065 FEET; THENCE SOUTH 88°23' EAST 120.16 FEET; THENCE SOUTH 272.34 FEET; THENCE 89 °41'33" WEST 150.00 FEET TO THE POINT OF BEGINNING.

BASIS OF BEARING: MONUMENT LINE BETWEEN POINT OF INTERESECTION MONUMENTS LOCATED ON ALEXANDER STREET WICH IS 89 °41'33" EAST, AS DISCLOSED BY DEDICATION PLAT OF ALEXANDER STREET RECORDED IN BOOK 86-7 OF PLATS AT PAGE 114, SALT LAKE COUNTY RECORDER'S OFFICE

THE REAL PROPERTY OR ITS ADDRESS IS COMMONLY KNOWN AS 1920 WEST ALEXANDER STREET, WEST VALLEY CITY, UT 84119. THE REAL PROPERTY TAX IDENTIFICATION NUMBER IS 15-22-178-022-0000.

EXHIBIT B

CONSENT OF LIENHOLDER

EXHIBIT C

AUTHORIZED SERVICE PROVIDERS

Hunt Electric, Inc. or any other service provider selected by the Issuer, or selected by the Borrower and approved by the Issuer is authorized to complete the Improvements on the Property.